

# **FISCAL NOTE**

## **HB 3140 - SB 3093**

February 14, 2002

### **SUMMARY OF BILL:**

- Defines "local government" and "water system" in the wastewater facilities law to include any instrumentality of government created by any county, incorporated municipality, metropolitan government or state agency or by the General Assembly.
- Authorizes a local government with the consent of the local development authority to assign its rights and obligations under a wastewater facilities loan to any other local government.
- Specifies that the required audits by local governments receiving wastewater facilities loans and water systems receiving loans from the "drinking water revolving loan fund" must be conducted within minimum standards prescribed by the Comptroller and that in the event such audits are not filed, the Comptroller may appoint someone to prepare the audit at the expense of the local government or the water system.
- Specifies that local governments or water systems receiving loans must agree to be subject to the jurisdiction of the water and wastewater financing board for those with taxing power or the utility management review board for all others.
- Requires regional authorities created by T.C.A. Title 64 to file an annual audit with the Comptroller and specifies that such entities are subject to audit by the Comptroller.

### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact - To the extent local governments choose to exchange rights and obligations under wastewater facilities loans they will experience a shift in assets and expenditures.**

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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